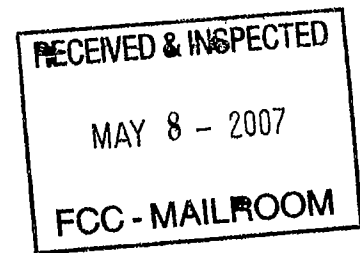




Northwest Alabama Mental Health Center

COMPREHENSIVE MENTAL HEALTH SERVICES FOR WALKER, WINSTON, FAYETTE, LAMAR AND MARION COUNTIES

DOCKET FILE COPY ORIGINAL
WC Docket No. 02460



May 2, 2007

Ms. Marlene H. Dortch
Commission Secretary
Office of the Secretary
Federal Telecommunications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Mrs. Dortch:

Enclosed is the original and four copies of our grant proposal developed for funding under the FCC Rural Telemedicine Pilot Grant Program. Copies of this grant proposal have also been sent to Messrs. Jeremy Marcus and Thomas Buckley as well as to Ms. Erika Olsen.

Sincerely,

A handwritten signature in dark ink, appearing to read "Skip Newman", with a long horizontal flourish extending to the right.

Skip Newman

WALKER COUNTY OFFICE
1100 7th Ave.
Jasper, AL 35501
Phone 205-387-0541
Fax 205-302-9002

WINSTON COUNTY OFFICE
71 Caraway Drive
Haleyville, AL 35565
Phone 205-486-4111
Fax 205-486-8981

FAYETTE COUNTY OFFICE
123 2nd Ave. NW
Fayette, AL 35555
Phone 205-932-3216
Fax 205-932-2354

LAMAR COUNTY OFFICE
141 2nd Ave. NW
Post Office Box 756
Vernon, AL 35592
Phone 205-695-9183
Fax 205-695-0078

MARION COUNTY OFFICE
409 1st Street SE
Hamilton, AL 35570
Phone 205-921-2186
Fax 205-921-4740

NORTHWEST ALABAMA MENTAL HEALTH AUTHORITY

FCC Rural Telehealth Pilot Grant

1. Responsible Organization

The Northwest Alabama Mental Health Authority is the applicant for this proposed project and will also be responsible for project implementation. Mr. Skip Newman is the project's principal contact person at the address listed below.

Mr. Floyd F. "Skip" Newman, Jr.
Director
Northwest Alabama Mental Health Authority
1100 Seventh Avenue
Jasper, Alabama 35501
Phone: 205/302-9000

The Northwest Alabama Mental Health Authority is a nonprofit corporation incorporated under Section 501 3 c and is a quasi-governmental entity formed by the Alabama Legislature that is affiliated with the Alabama Department of Mental Health and Retardation.

2. Project Goals and Objectives

The primary goal of this project is to develop a broadband telecommunications network that will facilitate the delivery of telepsychiatry and other related mental health services via real time video and audio connections between the applicant's six mental health clinics. The new network will also be used to provide psychiatric services to children since the Jasper clinic as well as all of the other clinics, in the outer counties, also provide child psychiatric services. The proposed network will also be configured to accommodate the delivery of internet, data and voice services at these six mental health centers. The objective of the proposed network is to increase the productivity of Mental Health Authority psychiatrists by significantly reducing their travel time between centers and increasing the number of patient visits that may be made each week. The new network will enable the applicant to provide more comprehensive psychiatric and telepharmacy services from the primary clinic in Jasper to the five outlying mental health clinics located in Winston, Marion, Lamar and Fayette Counties. A secondary objective will be to use the new network to achieve greater administrative efficiencies.

If this project is able to be implemented with the 1.0 GB connectivity that is called for in this proposal it may serve as a demonstration to the FCC that true high capacity broadband services are both practical and affordable for use on a nationwide basis by a wide variety of medical users. The applicant will use the new network to transmit and receive patient records. It will also be used to provide telephone service between the six

rural mental health clinics. The 1.0 GB service will enable the applicant to add many more partners and add new services without degrading the system's ability to deliver quality services. In addition, the proposed network will have the capacity to accommodate increased use resulting from local and national disasters. After the new network has been operational for six months, the applicant will assemble a team of professionals from outside the organization to review and assess network operations and to make recommendations for improving the service. The review panel will assess whether the applicant has been able to reduce costs and improve patient services as a result of implementing this project. Attached is a support letter provided by Dr. Claude Osula who has already agreed to participate on this network review panel. A copy of this assessment will be forwarded to the FCC.

3. Annual Network Costs

When fully operational, the proposed network will be able to provide 1.0 GB service to each of the applicant's six mental health clinics. Staff within the Energy, Weatherization and Technology Division of the Alabama Department of Economic and Community Affairs (ADECA) discussed the provision of these services with a number of potential providers which enabled ADECA staff to estimate that the proposed 1.0 GB service was feasible at a cost of approximately \$3,000.00 per month per center resulting in an overall annual connectivity cost of \$216,000.00, plus \$17,000.00 in network installation costs creating a total connectivity cost of \$233,000.00. Of this amount, \$198,050.00 would be eligible for FCC Pilot grant assistance to be matched with \$34,950.00 provided by the Northwest Alabama Mental Health Authority.

4. Payment of Pro rata Costs By Private Sector Network Participants

At the present time, no other private sector partners have agreed to be included on this proposed telecommunications network. The proposed network will have the capacity to add many additional users. A number of entities have expressed an interest in connecting to the network. Specifically, the Hope Clinic in Jasper, which provides medical services to uninsured families in Walker County, is expected to join the network. Dr. Claude Osula has an exiting rural medical clinic in the city of Carbon Hill, in Walker County, and has just opened a new clinic in Jasper. Dr. Osula may be interested in providing telemedicine services from his Jasper clinic to patients in his Carbon Hill facility. All private sectors users that connect to the network will be billed at the unsubsidized rate charged by the telecommunication provider. FCC subsidies will be sought for the Hope Clinic and the University Hospital at the University of Alabama at Birmingham, Walker Baptist Medical Center in Jasper and Druid City Hospital in Tuscaloosa who will be asked to participate on the network. Walker Baptist Medical Center in Jasper currently manages the applicant's inpatient unit on a contractual basis. A future connection will also be sought with Bevil State Community College which presently provides nurse training services for the applicant's nursing staff.

5. Funding Support For Other Non – FCC Eligible Project Expenses

The applicant already has the video equipment needed to initiate the proposed telepsychiatry/video conferencing system. Equipment installation costs are estimated at \$15,000 which will be paid by the Authority from its General Fund Account. However, the applicant does not currently have the financial resources needed to pay the monthly recurring connectivity costs unless FCC grant assistance is provided. The Authority has the equipment needed to add telephone, data and internet services to the new network and will pay all costs needed to add these services to the network.

6. Mental Health Centers Served by the Proposed Network

Video, voice and data services will be provided to the applicant's six mental health clinics. All practice sites are Mental Health catchment Health Professional Service Areas (HPSA's) and are listed below.

- Fayette County Office, 123 Second Avenue NW, Fayette, AL. 35555
- Lamar County Office, 141 Second Avenue NW, Vernon, AL 35592
- Marion County Office, 427 Smokey Bear Road, Hamilton, AL 35570
- Marion County Office 260 Baker St., Winfield, AL. 35594
- Winston County Office, 71 Carraway Drive, Haleyville, AL. 35565
- Walker County Office, 1100 Seventh Avenue, Jasper, AL. 35501 (Clinic and HQ)

7. Rural Urban Commuting Area Fore Each Network Site

Listed below are the physical address, zip code, phone number and RUCA code for each of the six participating mental health clinics.

Fayette County Office, 123 Second Avenue NW, Fayette, AL. 35555, Phone No. 205/932-3216.
RUCA Code No. 7.

Lamar County Office, 141 Second Ave. NW, Vernon, AL. 35592, Phone No. 205/695-9183.
RUCA Code No. 10.

Marion County Office, 427 Smokey Bear Road, Hamilton, AL 35570, Phone No. 205/921-2186.
RUCA Code No. 10.

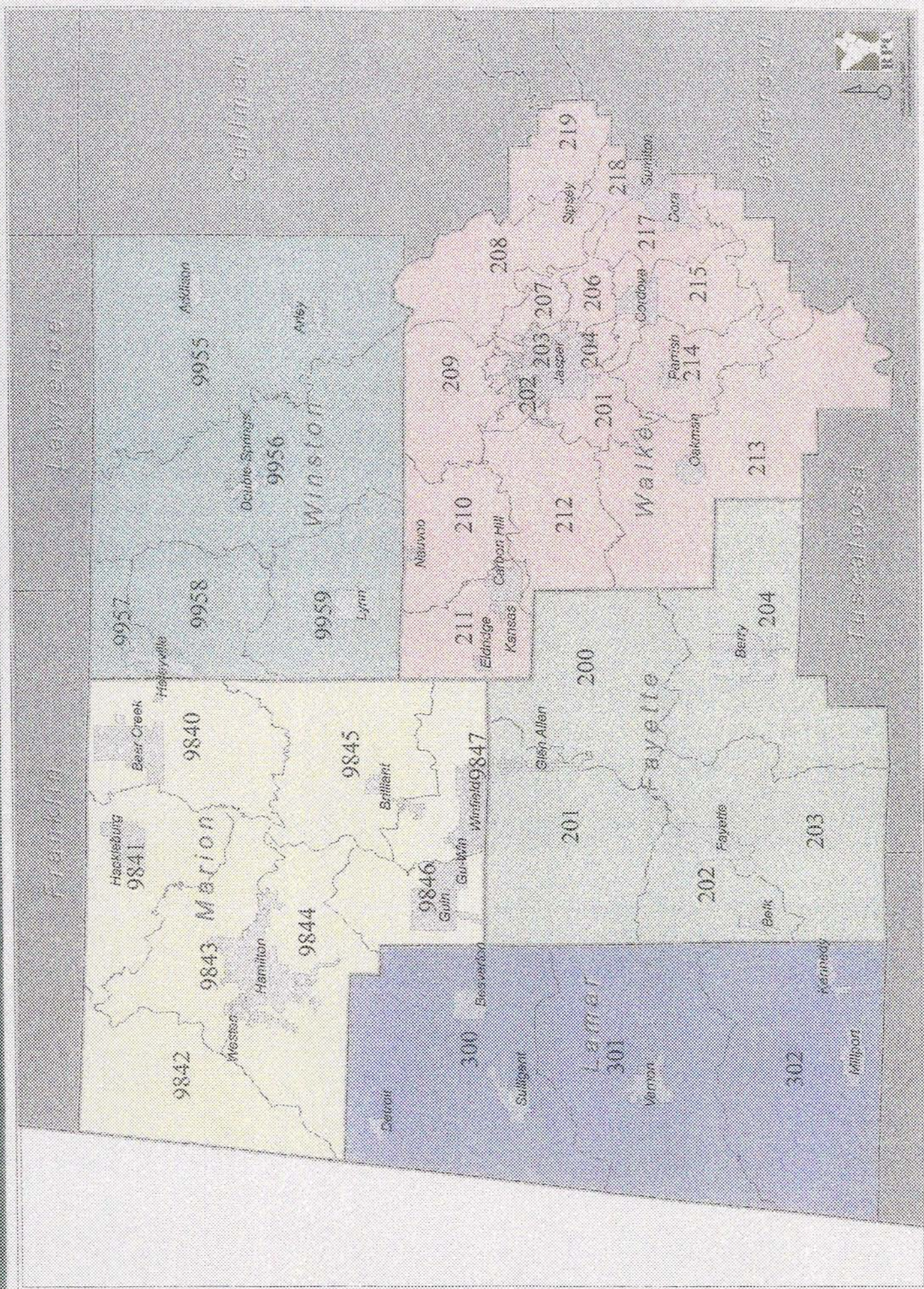
Marion County Office 260 Baker St., Winfield, AL. 35594, Phone No. 205/487-2124.
RUCA Code No. 10.

Winston County Office, 71 Carraway Drive, Haleyville, AL. 35565, Phone No. 205/486-4111.
RUCA Code No. 7.

Walker County Office, 1100 Seventh Avenue, Jasper, AL. 35501 (Clinic and HQ), Phone No. 205/302-9000. RUCA Code No. 4.

Figure 1 illustrates the location of the municipalities and census tracts contained in the applicant's five county service area.

Northwest Alabama Area Counties & Census Tracts



8. Previous Experience Developing and Managing Telemedicine Programs.

We presently use phones and appointment books to track patients. We have more capabilities on our Jasper campus since this site has a local area network that provides data and internet services between three buildings. In addition, we have installed one camera set-up between the Jasper and Hamilton clinics which is used by our psychiatrist to conduct patient interviews. This service has just been initiated however quality of service delivered over this DSL connection is very poor. Due to the lessons learned from this experience it is apparent to us that DSL does not have sufficient bandwidth to operate the needed telepsychiatry services.

9. Project Management Plan

This section contains a project management plan consisting of a brief description of the proposed project, a listing of project's key personnel and their responsibilities, a list of project partners and their responsibilities, a work plan outlining the various tasks required to implement this project, a project timeline and project budget.

Project Description. The proposed project consists of developing a telecommunications network capable of providing at least 100 Mb service to the applicant's six rural mental health clinics listed in items 6 and 7 above and illustrated in Figure 2. The Northwest Alabama Mental Health Authority is responsible for providing service to low income mental health patients located in Fayette, Lamar, Marion, Walker and Winston Counties. These five counties contain 3,382.8 square miles. The Authority operates six mental health clinics located in the cities of Fayette, Vernon, Hamilton, Winfield, Haleyville and Jasper which also contains the Authority's administrative staff. The primary service provided over the proposed network will be telepsychiatry services however, telepharmacy services will also be provided. This service will greatly reduce the time spent traveling to these rural mental health clinics enabling the psychiatrist to increase the number of patients served. The ability to increase the number of patient visits, via the new video service, is expected to reduce the overall time needed for patients to respond to treatment. Connectivity provided through this grant will also enable the Mental Health Authority to provide telephone, internet and data service between its six clinics including its headquarters staff located at the clinic in Jasper. Telephone services will greatly reduce current costs which are substantial due to the number of phone companies providing service within the project area and long distance charges incurred on a monthly basis. The proposed data network will enable the six clinics to send and receive large patient records in a timely manner. The video network will also be used to conduct in-house staff training.

Key Project Personnel. Key project personnel and their responsibilities relative to project implementation and network operations are listed on the following page.

Mr. Skip Newman – Executive Director of the Northwest Alabama Mental Health Authority. Mr. Newman has overall responsibility for the implementation of this project as well as post completion network operations. Phone: 205/302-9000

Mr. John Skalnik - Chief Financial Officer of the Northwest Alabama Mental Health Authority will be responsible for all project purchases and all financial reporting. Mr. Skalnik will also work with each clinic manager to see that the modifications made at each patient interview room is successfully completed. Phone: 205/302-9044

Clinic Managers - Jasper Clinic – Randall Sides
Haleyville – Charles Millwood
Hamilton – Charles Millwood
Winfield – Gwen Thomas-LeBlanc
Vernon – Tracy Martin
Fayette – Deborah Threadgill

Mr. Ned Butler - Mr. Butler is Alabama's Chief Radio Officer, at the Alabama Department of Economic and Community Affairs and has assisted the Authority by identifying the telecommunications firms that are capable of providing the network connectivity needed to implement this project. Mr. Butler has also designed the proposed network, estimated project costs and will assist the Authority in the implementation of this proposed network. Mr. Butler has completed many similar projects within the state of Alabama. Phone: 334/242-5474

Mr. Jack Wright - Mr. Wright, is director of community development for the Regional Planning Commission of Greater Birmingham and provided grant writing assistance to the Authority for this grant proposal. Mr. Wright will assist the Authority during the implementation phase. Phone: 205/264-8405

Psychiatrist - Dr. Armand Schachter (Consultant)
Dr. Kaycia Vansickle (Full-time)
Dr. Dominic Maxwell (Consultant)
Dr. Fe Yumul (Consultant)
Dr. Evaldas Radzevicius (Consultant)

Certified Registered Nurse Practitioners (CRNP's) -
Paula Brase (Full-time)
Kathleen Williams (Full-time)

Work Plan. The implementation of this project will require the completion of the following tasks.

1. A notice will be placed on the FCC web site notifying telecommunications providers to submit connectivity bids for telecommunications services at the Authority's six mental health centers.
2. Execute formal service agreements with participating doctors clinics and hospitals.
3. Modify rooms at each center that will be used to conduct telepsychiatry video conferences.
4. Purchase and install necessary transmission and video equipment needed to institute telepsychiatry services.
5. Select telecommunications firms that were the low bidders for the provision of telecommunications services at each of the applicant's six mental health clinics.
6. Install video and other needed telecommunications equipment and software needed to conduct telepsychiatry, telepharmacy, internet, telephone and data services.
7. Initiate services.

Cost Estimate. The applicant will comply with federal and state procurement regulations as well as established FCC procedures governing the procurement of the necessary network equipment and connectivity services. Estimated project costs are listed below.

COST ESTIMATE		
	<u>FCC</u>	<u>Local</u>
Provide a minimum 1.0 GB. Service to six clinics - \$3,000.00 per mo. per clinic. \$3,000.00 X 6 sites = \$18,000 per month X 12 months = \$216,000/Yr.	183,600	32,400
Network Installation Costs @ \$1,500 ea. For Fayette, Vernon, Winfield, Hamilton and Haleyville = \$7,500.00.	6,375	1,125
Network Installation Cost - Jasper Clinic & network Switching equipment = \$9,500	8,075	1,425
TOTAL ESTIMATED COST	198,050	34,950
TOTAL PROJECT COST (FCC + local match) = <u>\$233,000.00</u>		

The applicant already has in-hand all of the equipment needed to install the proposed video conferencing equipment which includes pan tilt zoom cameras, graphics cameras, microphones and network hub equipment. The network hub will be installed at the headquarters clinic in Jasper. The installation of this video equipment at each of the six clinics is estimated to cost \$15,000 and will be paid by the Authority from its General Fund Account. The Authority also has most of the needed to provide telephone and data services between the six mental health clinics.

Project Schedule. The implementation of this project will require 280 days, i.e, nine months, from the date of grant award to complete as shown below.

Complete network and equipment specifications	30 Days
Post Connectivity Specifications on FCC Web Site	35 Days
Advertise for Procurement of video, phone, data, internet equipment and software	45 Days
Select Low Connectivity Bids	65 Days
Select Low Bids for video, phone, data, and internet	70 Days
Obtain Authority Board Approval for Connectivity Bids	75 Days
Complete Connectivity at 6 Clinic Sites	250 Days
Complete Installation of video, phone, internet and data Equipment	250 Days
Initiate video, phone, internet and data services	280 Days

10. Statewide Program Coordination

The successes realized from providing the new telepsychiatry, telepharmacy, telephone, data and internet services will be publicized throughout Alabama by the state of Alabama Department of Public Health-Office of Rural Health Telemedicine Coordinator at conferences, technical forums and in newsletters and on the internet. The Alabama Department of Economic and Community Affairs is also submitting a Pilot FCC grant application which if funded will enable the state of Alabama to develop a statewide telemedicine/telehealth plan. In addition, three mental health authorities that provide service to a large multi-county area located in south Alabama are submitting a joint application under this Pilot FCC grant program. The new FCC-funded state telemedicine plan is expected to recommend that this new telepsychiatry network proposed for northwest Alabama be connected to the network developed to serve the three mental health districts located in south Alabama. The telepsychiatry network is to eventually be expanded so that all 12 of Alabama's mental health authorities have this service. As indicated in the attached letter from Governor Bob Riley, this Pilot FCC proposal is one of the initial components in Alabama's effort to develop a statewide telecommunications network for rural health providers.

11. Program Sustainability

Cost savings resulting from the implementation of this program will enable the North West Alabama Mental Health Authority to continue operating the proposed network services after FCC grant assistance terminates. Annual program cost savings and revenue enhancements are estimated at \$209,300.00 as shown on the following page.

Psychiatric Travel Costs

2 F.T.E. Psychiatrists
100 Daily Miles
250 Annual Days Worked
0.4 Mileage Rate

Total Psychiatric Travel
\$20,000 Savings

Psychiatric Billing Increase

120 Hourly Billing Rate
4 Daily Travel Hours
250 Annual Days Worked

\$120,000 Total Billing Increase

Intercompany Long Distance Costs

\$24,000 Approximately \$2,000 Monthly in Intercompany Long Distance

Staff Training Costs

600 Staff Traveling for Orientation and Meetings Annually
Average Miles Per Staff
100 Member
12 Average Hourly Rate
2 Average Travel Time Hours
0.4 Mileage Rate

\$38,400 Costs for Staff Training and Travel Time

Reduced Phone Lines

5 1 FB Lines at Offices
5 Broadband Connections
780 Annual 1FB Cost
600 Annual Broadband Cost

\$6,900 Annual Phone and Internet Reduction

SUPPORT LETTERS

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR



STATE CAPITOL
MONTGOMERY, ALABAMA 36130

(334) 242-7100
FAX: (334) 242-0937

STATE OF ALABAMA

May 2, 2007

Secretary
Federal Communications Commission
Office of the Secretary
c/o Natek, Inc.
236 Massachusetts Avenue, NE
Suite 110
Washington, DC 20002

Dear Mr. Secretary:

The State of Alabama is pleased to support the enclosed application submitted in response to the recent FCC Rural Health Care Pilot Program solicitation. This project is one of several that will be assisted and coordinated by the Alabama Department of Economic and Community Affairs – Energy, Weatherization and Technology (ADECA-EWT) Division in a major initiative to develop a statewide telecommunications network for rural health in Alabama.

Physician shortages and/or lack of transportation resources currently make it difficult for residents to receive adequate healthcare in the rural areas of our state. This initiative is essential to our efforts to make appropriate health care accessible to all citizens in Alabama.

Your favorable consideration of this request is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Riley", is written over the printed name.

Bob Riley

BR/gd



Alabama Council of Community Mental Health Boards
160 Yeager Parkway, Suite 103
Pelham, Alabama 35124

Telephone ~205.664.2114

Email: accmhb@aol.com ~ www.accmhb.org

James L. Dill, Ed.D.
Executive Director

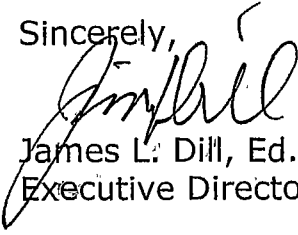
April 28, 2007

Mr. Skip Newman, Executive Director
Northwest Alabama Mental Health Authority
1100 Seventh Avenue
Jasper, Alabama 35501

Dear Mr. Newman:

I have read your FCC grant proposal and want to lend my support to your efforts to help meet the mental health needs of the residents of northwest Alabama through the installation of a broadband telecommunications network. The video, data, telephone and internet services contained in your proposed project provides us with a model that can be replicated by the other 21 regional mental health districts in Alabama. I will be happy to assist you in the expansion of your new telecommunications network.

Sincerely,


James L. Dill, Ed.D.
Executive Director



Officers & Directors

John T. Oliver, Jr.
President and Director

E.A. (Larry) Drummond
Vice President and Director

Patrick Willingham
Secretary / Treasurer and Director

Steven "Chip" Globetti
Asst. Secretary/Treasurer and Director

Jack Allen
Director

Edward R. Jackson
Director

Russell B. Robertson
Director

Barbara D. Thorne
Director

W. Halg Wright II
Director

Staff

Carol T. Savage
Executive Director

Cristy S. Moody
Program Officer

May 2, 2007

Mr. Skip Newman, Director
Northwest Alabama Mental Health Authority
1100 Seventh Avenue
Jasper, Alabama 35501

Dear Skip:


The Walker Area Community Foundation (www.wacf.org) is aware of your proposal to the Federal Communication Commission's Telehealth / Telemedicine Pilot Project Grant. We are very interested in seeing this proposal funded and may be able to assist from two directions.

First, as the Northwest Alabama Mental Health Association begins implementing this project, the Community Foundation is interested in exploring ways we might be able to partner with you and your clientele. There is a possibility that you could apply for some grant assistance with us or through us to advance this project.

Secondly, the Walker Area Community Foundation has been instrumental in the initiation of the HOPE (Free) Clinic¹ for qualified, uninsured residents of Walker County. Since your telemedicine "backbone" will pass through Jasper we are interested in exploring the potential for the Hope Clinic to participate in telemedical applications to assist the current and future clientele we serve.

Feel free to call on me at any time.

Sincerely,


Carol Savage
Executive Director

Cc:

Jack Wright, Director, Community Development, RPCGB

¹ The establishment of the Hope Clinic which offers free healthcare for uninsured, qualified residents of Walker County is the Community Foundation's largest initiative in its grant making history. In partnership with Walker Baptist Medical Center, the Community Foundation and several community members began the process in 2004 and we're proud to report more than 600 patients have been seen since January 31, 2006.

Please remember the Walker Area Community Foundation in your will or estate plan, and please tell us when you do.

Walker Medical Diagnostics, LLC
Claude Osula, M. D.

1450 Jones Dairy Road
Bldg 700
Jasper, AL 35501
(205) 295-4200

317 North West 2nd St
P. O. Box 730
Carbon Hill, AL 35549
(205) 924-4441

May 3, 2007

Mr. Skip Newman, Director
Northwest Alabama Mental Health Authority
1100 Seventh Avenue
Jasper, Alabama 35501

Dear Mr. Newman:

I am aware of your proposal to the Federal Communication Commission's Telehealth / Telemedicine Pilot Project Grant. I am very interested in seeing this proposal funded.

First as the NW AL Mental Health Association begins implementing this project, I would be interested in exploring ways we might be able to take advantage of this technology in our medical practice. I currently operate a practice in Jasper and another in Carbon Hill. I am very interested in learning how the fiber optic based telemedicine and Telehealth might assist us in the future growth and better management of these facilities, while providing a higher degree of care for my patients.

I would also be interested in assisting in the review and evaluation of your telemedicine program should this grant be awarded.

Feel free to call on me at any time.

Sincerely,

Claude Osula

Claude Osula, MD

Cc:
Jack Wright, Director, Community Development, RPCGB



Northwest Alabama Mental Health Center

COMPREHENSIVE MENTAL HEALTH SERVICES FOR WALKER, WINSTON, FAYETTE, LAMAR AND MARION COUNTIES

Memorandum of Understanding (May 1, 2007)

The Northwest Alabama Mental Health Center (NWAMHC), located in and serving the citizens of Fayette, Lamar, Marion, Walker, and Winston Counties, would like to emphasize that the benefits of telecommunication/telemedicine has truly been established. The NWAMHC would like to participate in and encourage the effort to complete a state-wide network. Please accept this memo as our commitment to act responsibly in planning and implementation with any and all parties associated with this common goal/plan.

Floyd "Skip" Newman, Jr.; Executive Director

Northwest Alabama Mental Health Center
1100 7th Ave.
Jasper, Alabama 35501

Phone: 1-205-302-9017
Fax: 1-205-387-8270
Email: Skip@nwamhc.com
Web: www.nwamhc.com

WALKER COUNTY OFFICE
1100 7th Ave.
Jasper, AL 35501
Phone 205-387-0541
Fax 205-302-9002

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71 Caraway Drive
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